Meeting of the Central Valley Flood Protection Board
June 20, 2008

Draft Staff Report - Supplement
Final CEQA Findings and Staff Recommendation

Description

The applicant wishes to place approximately 1,500 linear feet of fill and plant native trees on the landside of the levee to raise the existing grade on the north end of the Township 9 development project. The placement of fill will provide a thickened levee section along the south side of the American River from approximately 5,000 feet to 6,500 feet upstream of the confluence of the Sacramento River. A park and parallel roadway (Riverfront Drive) will be placed on top of the fill.

CEQA Compliance:

The Board, as a Responsible Agency under CEQA, has reviewed the Initial Study, Draft and Final Environmental Impact Reports and Mitigation Monitoring Plan for the Township 9 Project (State Clearinghouse No. 2006072077) prepared by the lead agency, the City of Sacramento, and adopted by Resolution 2007-641 by the Sacramento City Council, on August 28, 2007. CEQA findings for the Board are attached to this staff report (Attachment C).

Staff Recommendation

Staff recommends that the Board adopt the CEQA findings (Attachment C) and approve the permit.

Attachment C – CEQA Findings

CENTRAL VALLEY FLOOD PROTECTION BOARD

CEQA FINDINGS REGARDING

TOWNSHIP 9 PROJECT

The Central Valley Flood Protection Board ("Board"), as a responsible agency which will approve part of the Township 9 Project (formerly Capitol Station 65), namely the landside fill and tree plantings along the landside slope of the left (south) bank levee of the American River, has independently considered the Initial Study, Draft Environmental Impact Report (DEIR, February 2007), Final Environmental Impact Report (FEIR, July 2007) and Mitigation Monitoring Plan for the Township 9 Project (State Clearinghouse No. 2006072077) February 2007. The lead agency, City of Sacramento, certified the EIR and adopted the project including the Mitigation Monitoring Plan, Findings of Fact, and a Statement of Overriding Considerations on August 28, 2007. The Draft Environmental Impact Report can be found at http://www.cityofsacramento.org/dsd/projects/township-9/eir/. The Board has independently reviewed and considered the EIR, and makes its findings as set forth below.

The Project:

In March 2006 Steve Goodwin (applicant) representing Capitol Station 65, LLC filed an application with the City of Sacramento Development Services Department for land use entitlements for an approximately 65-acre development in the Richards Boulevard Area Plan region of the City of Sacramento. Since the submittal of the application the project has been renamed Township 9. An illustrative plan and site sections from the FEIR are included at the end of these findings (Figures 1 and 2).

A portion of the site, approximately 9.53 acres, is located on the water side of the American River levee within the American River Parkway.

Project Elements

The proposed project includes two development scenarios. Scenario A includes the development of approximately 2,981 dwelling units and approximately 146,194 gross square feet of neighborhood-serving retail and restaurant uses. Scenario B would develop approximately 839,628 gross square feet of office use (instead of residential) on proposed lots fronting Richards Boulevard. Under Scenario B, the number of dwelling units would be reduced to approximately 2,350. The approximately 146,194 gross square feet of neighborhood-serving retail and restaurant uses would remain unchanged under Scenario B.

In response to concerns raised by the County of Sacramento Planning Department and Regional Parks, and subsequent to publication of the Draft EIR, the applicant removed the overlook and outdoor performance venue elements from the project. In addition, the applicant relocated the tower element from the originally proposed location near the Parkway to the roundabout located at the intersection of North 7th Street and Street G.

At the request of the applicant Scenario B was adopted by the Sacramento City Council as the approved project on August 28, 2007.

The project would include residential/retail structures, a network of public streets, aboveground and sub grade parking facilities, public and private open space areas, and a river trail. The project would also include space for a transit station and tracks for future construction by Sacramento RT.

The project would include approximately 27 acres of public open spaces and approximately 3,920 square feet of private open spaces. Public open spaces would include urban parks and plazas, parkways, and natural open space along the American River. Private open spaces would consist of central courtyards that would serve as common open space for residential buildings.

Two Rivers Trail and Levee Improvements

The existing American River levee would be adapted to accommodate the Two Rivers Trail, a bicycle trail that runs between I-5 and SR 160. The existing trail and proposed park facilities would provide public access to the river. The project proposes no change to the grade of the trail, which currently runs along the top of the levee. The levee improvements would be accomplished through grading operations that would place earthen fill against the existing levee that gently slopes away from the levee toward Richards Boulevard. The goal of this improvement is to minimize the visual and physical barrier of the levee and make the waterfront accessible to the public. The final alignment and design elements would be planned with City input.

Portion of the Project to be Approved by the Board:

The applicant has applied for a Board permit to place approximately 1,500 linear feet of fill and to plant native trees along the landside slope of the left (south) bank levee of the American River as described below:

> The application is for the purpose of placing fill on the landside of the levee to raise the existing grade on the north end of the Township 9 development project. The placement of fill will essentially provide a thickened levee section along the south (left) bank levee of the American River starting at approximately 5,000 feet upstream of the confluence with the Sacramento River and continuing for approximately 1,500 feet eastward. The fill will terminate at buildings on the

adjacent parcels south of the levee and gradually slope south to existing grade along the proposed streets. A park and parallel roadway (Riverfront Drive) will be placed on top of the fill.

Consistency with American River Parkway Plan

Project design and environmental review was carried out to be consistent with the American River Parkway Plan. The proposed Riverfront Drive, residential units, and retail space along the American River levee would be adjacent to, but not within, the Parkway. Buildings would be set back from the toe of levee at least 30 feet. Landscaping and walkways would serve as a buffer between the Parkway and adjoining land uses.

Hydraulic Impacts to Flood Control

The Initial Study addressed potential hydraulic impacts to the Sacramento River Flood Control Project and found that because no structures are proposed to be built on the waterside of the American River levee the proposed project would not affect flows or water surface elevations in the American River. As a result hydraulic impacts are not addressed further in the DEIR.

Flooding Concerns

Although the project site is not located in an area considered to be at risk from flooding during 100-year storm events, it should be noted that FEMA's flood designation could be updated as new information regarding flood control facilities, including levees, becomes available. The Sacramento Area Flood Control Agency (SAFCA) has recently determined that some flood control facilities could be at risk to flooding hazard during a 100-year storm event due to erosion and underseepage along Sacramento River levees. SAFCA has since initiated studies and activities to further improve flood protection in the Natomas Basin to provide flood protection at the 200-year storm event level. As of February 2007, SAFCA has not initiated similar studies for American River levees protecting the project area because they are not considered to be at risk from erosion and underseepage. Therefore, the DEIR does not consider the project site to be an area at risk during flood events.

DWR Comments on DEIR

Board Staff Environmental Scientist submitted a standard letter (FEIR Letter No. 1) on March 12, 2007 stating that the proposed project may be an encroachment on the State Adopted Plan of Flood Control and if so an encroachment permit would be required.

Environmental Impacts Found to be Less Than Significant

As summarized in DEIR Table 3.1 a number of project impacts were found to be less than significant, requiring no mitigation. These impacts are found in the following sections of Chapter 6:

6.1 Aesthetics, Light, and Glare
6.2 Air Quality
6.3 Biological Resources
6.5 Geology and Soils
6.6 Hazardous Materials and Public Safety
6.6 Hydrology and Water Quality
6.8 Noise and Vibration
6.9 Public Services
6.10 Public Utilities
6.11 Transportation and Circulation

Finding: As to the impacts listed above, no findings are required.

Environmental Impacts Found to be Significant but Reduced to Less Than Significant by Mitigation:

Numerous other identified adverse impacts could be reduced to a less-than-significant level with implementation by the City and / or applicant of the proposed mitigation measures described in the Mitigation Monitoring Plan. These measures are summarized in DEIR Table 3.1 and are found in the following sections of Chapters 6:

6.1 Aesthetics, Light, and Glare
6.2 Air Quality
6.3 Biological Resources
6.4 Cultural Resources
6.5 Geology and Soils
6.6 Hazardous Materials and Public Safety
6.8 Noise and Vibration
6.9 Public Services
6.11 Transportation and Circulation

Findings: The Board finds as to each of the potential impacts of the Township 9 Project identified in the DEIR and listed above, that changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects as identified in the FEIR.

In addition the Board finds that those changes or alterations are within the responsibility and jurisdiction of the City of Sacramento or other public agencies and that those changes have been adopted by those agencies or can and should be adopted by those agencies.

Environmental Impacts Found to be Significant and Unavoidable

Section 15126.2(b) of the CEQA Guidelines requires that an EIR describe any significant impacts that cannot be avoided, even with the implementation of feasible mitigation measures. The environmental effects of the proposed project on various aspects of the environment are discussed in detail in Chapter 6 of the DEIR. Project-specific and cumulative impacts that cannot be avoided if the project is approved as proposed include:

Project-Specific Significant and Unavoidable Impacts

6.2-3 Operation of the proposed project would contribute to emissions of ozone precursors.

6.4-1 The proposed project could cause a substantial change in the significance of an historical resource as defined in CEQA Guidelines Section 15064.5.

6.8-1 Construction of the proposed project would temporarily expose existing receptors to increased noise levels.

6.8-2 Ground-borne vibration from construction activity could cause structural damage to nearby buildings.

6.11-1 The proposed project would add traffic to study intersections under both Scenario A and Scenario B and cause the level of service to deteriorate.

6.11-2 The proposed project would add traffic to the study roadway segments that result in substandard levels of service.

6.11-3 The proposed project would add traffic to the study freeway mainline segments and cause the level of service to degrade below Level of Service (LOS) E.

6.11-4 The proposed project would add traffic to the study freeway interchanges and cause the level of service to degrade below those of the freeway mainline.

6.11-5 The proposed project would add traffic to the study freeway off-ramps where queues would exceed available storage capacity with or without the proposed project under both Scenario A and Scenario B.

Cumulative Significant and Unavoidable Impacts

6.2-7 Operation of the proposed project would increase cumulative levels of ozone precursors.

6.2-9 Operational activities associated with the proposed project would contribute to cumulative levels of particulate matter in the vicinity of the project site.

6.4-3 The proposed project, in combination with other development in the City of Sacramento, could cause a substantial change in the significance of an historical resource as defined in CEQA Guidelines Section 15064.5.

6.11-12 The proposed project would add traffic to study intersections under both Scenario A and Scenario B and cause the level of service to deteriorate.

6.11-13 The proposed project would add traffic to the study roadway segments.

6.11-14 The proposed project would add traffic to the study freeway mainline segments and cause the level of service to degrade below LOS E under near term conditions.

6.11-15 The proposed project would add traffic to the study freeway interchanges and cause the level of service to degrade below those of the freeway mainline under both Scenario A and Scenario B.

6.11-16 The proposed project would add traffic to the study freeway off-ramps where queues would exceed available storage capacity with or without the proposed project under both Scenario A and Scenario B.

6.11-18 The proposed project would add traffic to study intersections under both Scenario A and Scenario B and cause the level of service to deteriorate.

6.11-19 The proposed project would add traffic to the study roadway segments that results in substandard levels of service.

6.11-20 The proposed project would add traffic to the study freeway mainline segments and cause the level of service to degrade below LOS E under near term conditions.

6.11-21 The proposed project would add traffic to the study freeway interchanges and cause the level of service to degrade below those of the freeway mainline under both Scenario A and Scenario B.

6.11-22 The proposed project would add traffic to the study freeway off-ramps where queues would exceed available storage capacity with or without the proposed project under both Scenario A and Scenario B.

Findings: As to the project-specific and cumulative significant and unavoidable impacts listed above, the Board finds that specific economic, legal, social, technological or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

Statement of Overriding Considerations

Pursuant to CEQA Guidelines section 15092 the Sacramento City Council found that in approving the project it had eliminated or substantially reduced all significant and potentially significant effects of the project on the environment where feasible. The Council further found that it had balanced the economic, legal, social, technological, and other benefits of the project against the remaining unavoidable environmental risks in determining whether to approve the project, and had determined that those benefits outweigh the unavoidable environmental risks and that those risks are acceptable.

Findings: The Board further finds that none of the significant unavoidable impacts of the project are within the Board's jurisdiction, and that the benefits listed below outweigh the unavoidable project impacts.

Primary Project Benefits

- The project will help fund Phase 1 of the Planned Regional Transit Downtown-Natomas-Airport Line.
- The project provides high density residential and office development within 1/4 mile of a proposed light rail station.
- The project will dedicate land for purposes of constructing a light rail station.
- The project is consistent with and supportive of Sacramento Area Council of Government's Blueprint Plan.
- The project is a logical extension of the City's downtown urban area.
- The project will provide revenue to the City.
- The project will provide diverse housing opportunities in close proximity to an employment base.
- The project will provide neighborhood and community retail near residential development to shorten or reduce the number of vehicle trips.
- The project will activate the riverfront and provide open space.
- The project incorporates the historic character of the Cannery Site into the project design.
- The project realizes an infill development opportunity within a redevelopment area.
- The project will provide all necessary on-site infrastructure and contribute fair share funding to upgrade the City's infrastructure system.
- The project will utilize energy conservation measures in design of project buildings.
- The project provides urban parks, plazas and open spaces to provide community connectivity.

- The project's park spaces will be designed and implemented to facilitate open space locations and linkages that create a vibrant, enjoyable community.

Custodian of Documents:

The documents on which these findings are based are in the custody of the Central Valley Flood Protection Board, 3310 El Camino Avenue, LL40, Sacramento, CA 95821.

Figure 1 – Illustrative Plan (FEIR Appendix, Figure 4)

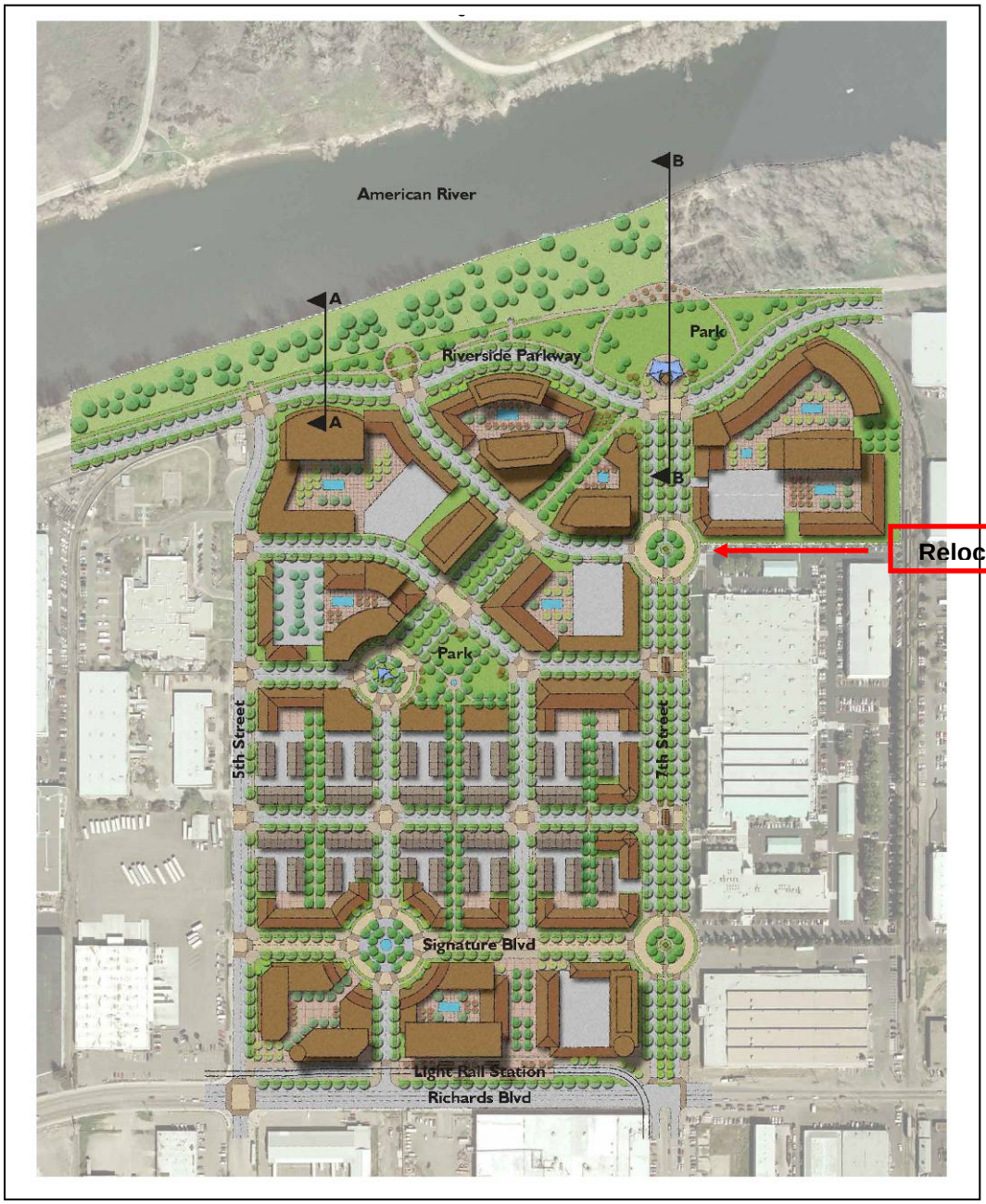

Figure 2 – Site Sections (FEIR Appendix, Figure 5)